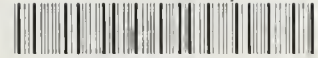


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MONTANA

Industrial Horizons

STATE PLANNING BOARD

April, 1961

Petroleum Again First

MINERAL PRODUCTION UP \$17.1 MILLION IN STATE

Value of mineral production in Montana totaled \$185 million in 1960, according to a preliminary report by the U. S. Bureau of Mines. This was a \$17.1 million increase over the strike-reduced total for 1959 and the third highest on record (exceeded only in 1956 and 1957).

Petroleum maintained its No. 1 position for the fourth straight year with a value of \$77,076,000. Copper was second with \$59,642,000, up \$19 million from 1959.

Butte passed the 15 billion lb. mark in copper production during 1960. Up to the present time, the "Mile High-Mile Deep" city has turned out more copper and silver than any other mining district in the world.

Review by Commodity

- **Aluminum**—Production at the Anaconda Aluminum Co. Columbia Falls reduction plant remained at 87.5 per cent capacity throughout the year.

- **Barite**—Output was considerably less than in 1959.

- **Cement**—There was a sizeable decrease indicated in the quantity and value of shipments compared with 1959. The Trident plant of Ideal Cement Co., Montana division, continued to be the only producer in the state.

- **Chromite**—Output of chromite concentrate by American Chrome Co. from the Mouat mine and mill at Nye was slightly above 1959. Tonnage was delivered entirely to nearby stockpile under a government contract to be completed in 1961.

- **Clay**—Quantity sold or used by producers declined an estimated 11 per cent from 1959. Cessation of bentonite production at the National Lead Co. Alzada pit in Carter County was the principal reason for the decline.

- **Coal**—Production was down over 50,000 tons from 1959.

- **Copper**—After the six-months strike which ended in February of 1960, copper production increased 41 per cent over 1959. A major development was an announcement by the Anaconda Co. of an \$11 million, five-year program to tap high-grade copper ore reserves at deep levels. Additionally, the company announced a \$6 million replacement and modernization program at the Anaconda reduction works.

- **Fluorspar**—Shipments rose sharply compared with 1959. The steel industry was the major consumer.

- **Gold**—Production reached 45,840 oz. a 61-per cent increase over 1959.

- **Gypsum**—A small increase in output of gypsum compared with 1959 was accompanied by a decrease in value of the same order.

- **Iron Ore**—Two companies produced 5 per cent more than the 1959 output. Magnetite from the Iron Cross property (Ralls & Harris Bros.) near Radersburg was used in manufacturing cement. The Willow Creek mine (Young-Montana Corp.) near Stanford yielded magnetite for shipment to Cleveland Cliffs Iron Co., Superior, Wis., and numerous other companies in the Pacific Northwest and Canada.

MONTANA TREASURE STEAK



NBC's "Monitor" recently held an interview with participants of the Montana Treasure Steak promotion. In background, left to right, are Wayne Bratten, president of the Montana Stockgrowers Assn., NBC moderator, Governor Nutter, Ralph Miracle, treasurer of the Montana Beef Council, and Max Smith, originator of the cut. Milton Vandeventer, who is handling the promotion, is in the foreground with NBC technician. See story on page 3.

- **Lead**—Output was 37 per cent below 1959. Sharp decline was due to curtailed production of lead-bearing zinc ore by the Anaconda Co. Anaconda zinc concentrator operations were not resumed until April, following the late 1959 strike settlement; the plant again was closed in September for the remainder of the year because of what the company termed a "slow zinc market."

- **Lime**—Production increased 34 per cent in quantity and 25 per cent in value, compared with 1959.

- **Manganese**—Output from three companies operating in the state—Anaconda Co., Trout Mining Co., and Taylor-Knapp Co.—was above 1959 production.

- **Mica**—Three operations contributed to a five-fold increase in the quantity of

mica shipped to the government purchase depot at Custer, S. Dak., compared with 1959. The bulk of the output came from the Planet Exploration Co. mine near Gallatin Gateway. Two other shippers were the Sparkle mine, Dillon, and the Merline mine near Ennis.

- **Phosphate Rock**—Quantity and value were 12 per cent higher than in 1959.

Rock from Beaverhead, Powell, and Silver Bow Counties was converted to elemental phosphorus, phosphoric acid, and phosphate fertilizers. Most of the output from Powell County was exported to British Columbia.

- **Pyrite**—There was a substantial increase in the quantity of pyrite converted to sulfuric acid by the Anaconda Co.

- **Sand, Gravel, and Stone**—Combined output of these commodities was somewhat less than in 1959. Multi-Mineral Products Co. began quarrying dolomitic and high-quality limestone from a deposit near Red Lodge. A crushing plant was completed at midyear. The mixed carbonate was marketed for agricultural purposes.

Building and decorative stone was produced at a new quarry near Thompson Falls.

- **Silver**—Output was about the same as 1959. Approximately 80 per cent of the state production was yielded by Butte mines.

- **Sulfur**—Waste gases from two oil refineries at Billings were converted to high-purity elemental sulfur by Montana Sulfur & Chemical Co. Hydrogen sulfide gas was transported from the Continental Oil Co. refinery through a 4-mile pipeline. The other source was the nearby Humble Oil & Refining Co. refinery. Most of the output was used by an Idaho chemical fertilizer manufacturer.

- **Talc**—There was a slight decline in the tonnage and value of talc mined compared with 1959. Sierra Talc Co. (Yellowstone and Beaverhead mines) and Tri-State Minerals Co. (Smith-Dillon, Regal, and Treasure State mines) were the principal producers.

- **Tungsten**—Minerals Engineering Co. mined the ore from the Calvert mine near Wise River in Beaverhead County. The ore was milled at Glen and the concentrate marketed under contract to an eastern firm.

- **Uranium**—The tonnage of ore mined was less than in 1959, but the production value remained substantially the same.

- **Zinc**—Total output decreased 58 per cent from 1959. (See Lead).

- **Vermiculite**—Output was about the same as 1959. The Zonolite Co. open pit mine near Libby continued to be the major source of this commodity in the nation. A program was initiated to study ways of beneficiating the low-grade material from the mine and to develop new

(Continued on page 3)

Tax Incentive Offered New Industry

Montana has joined the ranks of the majority of states offering one form or another of inducements to new industry. SB 137 passed by the last legislature, provides "for the encouragement of new industry in the State of Montana by establishing a separate classification for new industrial property during the first three years of operation. . . ." New industries in this classification will be taxed at 7 per cent of their assessed value. After the 3-year period, the 30 per cent tax classification will apply.

This concession is a modest one compared to what many other states are offering, but it will be a useful tool in furthering our efforts to encourage new industry.

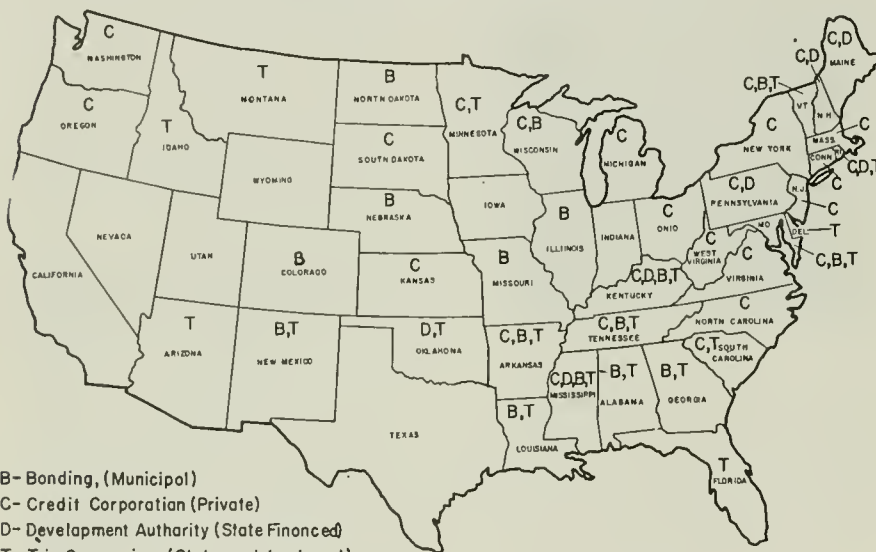
In addition to the tax incentive law, House Joint Memorial No. 3, sometimes referred to as the "Better Business Memorial," was adopted, which asserted a positive attitude in considering all legislation as it might affect present and new industry.

Other than tax concessions, there are three major financing methods employed

by other states to encourage industrial development. These are municipal bonding, private development credit corporations, and state financed development authorities. At the present time, 16 states have authorized municipalities to issue bonds for the construction of industrial buildings which may be leased to manufacturing enterprises. Eight states have created state development authorities which are authorized by state legislatures to establish a revolving fund for loans to aid local development corporations.

Apparently the most popular method employed, with 27 states having such a plan, is the state-wide development credit corporation which is authorized by special state enabling laws to obtain funds from the sale of stock and from loans made to the corporation by member financial institutions. Loans are then made to new expanding manufacturing firms when such funds are not available through normal channels. Legislation to create such a corporation in Montana was introduced in the 1957 and 1959 session, but failed to pass.

STATES HAVING FINANCING PROGRAMS
TO ENCOURAGE INDUSTRIAL DEVELOPMENT



B-Bonding, (Municipal)
C-Credit Corporation (Private)
D-Development Authority (State Financed)
T-Tax Concession (State and/or Local)

Alaska - T
Hawaii - C,T

Map courtesy Missouri Resources and Development Commission
"Industrial News," March 1961.

Glacier General Assurance Co.

To many people, industry is synonymous with automobiles, appliances, and big business. But Montana recently has an industry of a not-so-familiar nature in the form of the only resident stock company writing casualty insurance in the state.

The Glacier General Assurance Company of Missoula was formed just two

years ago, and according to John F. Hayden, president, "In 1961 Glacier expects to be the largest company writing workmen's compensation in the State of Montana."

Glacier General Assurance Co. presently employs 15 full-time people and has an annual payroll of over \$68,000. In 1960 the company had a premium volume of over \$240,000 and has over \$348,000 invested in various forms throughout the state.

In the News . . .

A \$2.50 per ton bonus was paid to growers of safflower recently by Pacific Vegetable Oil Corp., Culbertson, giving a total price of \$65.00 a ton for the 1960 crop. The company will pay \$75 per ton for 1961 crops under contract.

Through efforts of the Kalispell Chamber of Commerce, the Development Corporation of Northwestern Montana has been formed to actively assist industries contemplating location in that area. They have gathered information on the assets and resources of the area to be made readily available to an inquiring industry, and are set up to purchase land and construct buildings for potential industries. Stock in the corporation sells for \$10 per share.

Montana-Dakota Utilities proposed 1961 expansion expenditures in Montana total \$1,780,000. The tentative 1961-62 budget of \$25 million for construction represents one of the highest in the company's history. Besides Montana, MDU operates in North Dakota, South Dakota, Wyoming, and Minnesota.

Beatrice Foods Co. announced a \$250,000 expansion of their dairy products plants in Great Falls and Billings.

The March 15, 1961 issue of "Marple's Business Roundup," a newsletter on business in the Pacific Northwest, lists the Minuteman installation project between Great Falls and Lewistown as "the largest construction project in the Pacific Northwest during the next 20 months."

Contracts for construction of Yellowstone Dam in southcentral Montana have been awarded in the amount of \$39,809,359. Altogether the project with power plant will cost around \$109 million with completion date late in 1965.

A Canadian-U. S. treaty has cleared the way for planning work to begin on Libby Dam to be constructed on the Kootenai River, about 15 miles upstream from Libby. The multi-purpose dam will create a reservoir extending 95 miles upstream, including 42 miles in Canada.

An "air-lock" log home produced by the National Log Construction Co. of Thompson Falls (see "Industrial Horizons, Aug.-Sept. 1959) will be featured as the grand prize in an \$800,000 advertising promotion contest for the nationally known starch manufacturer, A. E. Staley Mfg. Co. During the contests eight-week period in June and July, the Montana product will be featured in full-page ads in "Life" magazine, the Sunday newspaper supplement, "This Week," two radio programs, seven TV shows, as well as thousands of posters, displays, and entry blanks.



The MONTANA "TREASURE STEAK,"
"So good you can 'STEAK' your
appetite on it."

How Cut Is Prepared



After placing prime-rib on block,
remove all bone.



Cut to desired thickness. Note: Steak should
be cut twice the size desired since it will
be split or filleted.

Montana Treasure Steak Introduced to the Nation

The sprawling Treasure State has developed a new cut of delicious beef to tempt Americans' appetites and called it the "Treasure Steak."

For years a steak recognized as an official Montana cut has been planned to dramatize the Treasure State's colorful cattle industry and the role of the cowboy in developing the West.

A long-time butcher and grocer from the Capital City area, Max Smith of East Helena, has now come up with an eye-appealing cut of steak from the tender rib section.

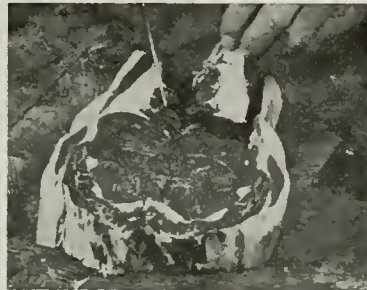
"The Montana Treasure Steak — so good you can steak your appetite on it" — is the theme of the promotion underway to make the Treasure Steak as renowned as the New York cut or the Kansas strip. An extensive promotional campaign was launched on April 10 by the State Advertising Dept., Montana Beef Council, Montana Chamber of Commerce, and the State Planning Board to

acquaint the American public with this new cut.

Packing houses, stores, markets, and other meat outlets have received brochures on how to cut the new steak innovation, and bumper stickers, recipe books, window streamers, table tents, steak markers, and napkins have been distributed to leading restaurants and dining rooms in Montana and nationwide.

Frozen Treasure Steaks, wrapped in gold foil are being delivered to President Kennedy and Vice-President Johnson, the governors of the other 49 states, and to Montana's congressional delegation.

The promotion of the Montana Treasure Steak is an integral part of the State Planning Board's effort to further the development of Montana's feedlot and meat packing industry.



After splitting or filleting, remove inside
fat from "tails."



Close "tail" or "tails" and skewer. Kidney
suet may be inserted if desired as
shown above.

Manufacturing Progress

Montana has been making progress in industrial development during recent years, as shown by figures lately released by the U.S. Census Bureau in its 1958 Census of Manufacturers report.

The report compares the manufacturing census years of 1954 and 1958:

	1954	1958
No. of Mfg. Concerns	868	917
No. of Employees	18,519	20,095
Total Payroll	\$ 71,289,000	\$ 93,754,000
Value Added by Mfg.	\$141,234,000	\$185,632,000

71.5 per cent of the state's total Value Added by Manufacturing in 1958 was contributed by the seven Montana counties* whose 1960 populations were over 20,000. These seven counties contain 49 per cent of the state's population.

A breakdown by percentages for each of these counties is as follows:

County	% of Pop. (1960)	% of Tot. Val. Ad. by Mfg. (1958)
Yellowstone	11.7%	17.7%
Cascade	10.9	23.3
Silver Bow	6.9	6.1
Missoula	6.6	11.2
Flathead	4.9	4.8
Lewis & Clark	4.2	3.1
Gallatin	3.9	5.1

Special note should be taken of Lincoln County which has only 1.9 per cent of the state's population but contributed 6.3 per cent of the total Value Added by Manufacturing.

*Figures for Deer Lodge County were not disclosed.

MINERAL PRODUCTION UP (Continued from page 1)

products. Masonry-fill water repellent insulation and fire proofing material, new products, showed promise.

• **Petroleum and Natural Gas**—Estimated recovery of crude oil was slightly above 1959, as was the percentage of crude oil refined in the state.

Crude oil production from fields in central Montana nearly doubled in the last year and a half. Montana ranked twelfth in the nation as a liquid petroleum source and fourteenth in proved reserves.

Farmers Union Central Exchange began construction of a 190-mile pipeline from Glendive to Minot, N. Dak. Continental Oil Co. is presently building a 433-mile crude oil pipe line from Cut Bank to Byron Wyo. with a spur from Roundup to a number of central Montana fields. From Byron it will connect with the Platte line and others to move crude into St. Louis, Chicago, and other centers. It is scheduled for completion in mid-1961.

Wood and Minerals Meetings Attended . . .

Northwest Wood Products Clinic

Two Montana timber manufacturers were recently elected to high offices at a joint meeting of the Northwest Wood Products Clinic and the Inland Empire Section, Forest Products Research Society. The meeting was held April 11 and 12 in Spokane, Washington.

Mr. John L. Ailport, plant superintendent of the Anaconda Co. Lumber Department at Bonner, was elected president of the Northwest Wood Products Clinic and Mr. Robert A. Crowe, sales manager of Missoula White Pine Sash Co., was elected both a director of the NWPC and vice-chairman of the Forest Products Research Society. In addition, Mr. Ailport was program chairman for this year's NWPC meeting and Mr. Crowe was program chairman for the FPRS meeting.

State Planning Board personnel attending the meeting were Everett Darlington, assistant director, and Dick Setterstrom, chairman of the Advisory Council. Problems encountered by the wood products manufacturing industry were discussed and new equipment for use in sawmills was studied. Types of new equipment for sawmills varied from log handling machines to automatic edgers and sorters and high temperature kilns.

Other Montanans attending the meeting were: Edmond Anderson, Timber State Electric, Kalispell; Robert Bemis, Diamond National Corp., Superior; Howard Heiner, and John Luger, J. Neils Lumber Co., Libby; Richard Kirby, Westinghouse Electric, Butte; Henry Pennypacker, Intermountain Lumber Co., Missoula; LeRoy Saxton, Anaconda Co., Bonner; and Cameron Warren, Intermountain Lumber Co., Missoula.

Metals and Minerals Conference

The 1961 meeting of the Pacific Northwest Metals and Minerals Conference was held April 13, 14 and 15 in Spokane, Washington. The meeting was concerned with advanced mining and refining methods, the fabrication of rare metals, the detection and location of ore deposits in the Northwest, and the various uses for concrete.

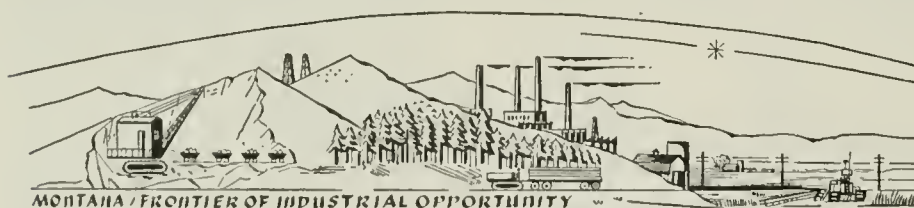
A panel discussion was held during the first evening on the controversial subject "Gold and Money." Mr. V. C. Wansborough, vice president, Canadian Metal Mining Association, Toronto, Canada, and Dr. Eugene Clark, dean of the School of Economics and Business, Washington State University, Pullman, Washington, were the speakers. Mr. Wansborough presented the views of a Canadian gold producer concerning international gold policy and Mr. Clark presented the views of a financial economist as they pertain to the United States policy on gold.

Everett Darlington, assistant director of the Planning Board, and Dick Setterstrom, chairman of the Advisory Council, attended the first day of the conference following a meeting of the Wood Products Clinic. They were especially interested in the "Gold and Money" discussion since gold played such an important role in Montana's early development and, should policy demand, gold could once again occupy a leading position in our economy.

Other Montanans attending the Minerals Conference were: Graham Cadwell, Anaconda Co., Great Falls; Robert Corbett, Anaconda Co., Butte; Ernest Hase, American Smelting & Refining Co., East Helena; Willis Johns, Montana Bureau of Mines & Geology, Kalispell; Ray MacFarland, Ingersoll-Rand, Butte; R. W. Manchester, U.S. Forest Service, Missoula; and Gary Morrison, U.S. Forest Service, Missoula.



Part of Montana group attending Wood Products Clinic, left to right: Robert Crowe, Dick Setterstrom, John Ailport, Henry Pennypacker, Everett Darlington, Robert Peterson, Pacific Power & Light.



Industrial Horizons

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